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As part of the €3 billion asset rotation plan set out in its Strategic Perspectives 2018-2022

Iberdrola sells conventional generation assets in the United Kingdom, becoming the first 100% renewable energy company in that country

- After completion of the transaction, valued at £702 million (€801 million), the company's production in Britain will be completely emission-free. Iberdrola will continue to increase its wind capacity thanks to a project pipeline of more than 3,000 MW
- The group's chairman, Ignacio Galán, has reaffirmed the company's commitment to the United Kingdom: "It is a key market for us and one of the present and future pillars of the group, where we will invest £5.5 billion by 2022, primarily in increasing our renewable capacity, developing more and smarter grids and offering more personalised and efficient solutions to our customers"
- Galán, who pointed out that this operation is part of the "standard rotation of the company's assets", stated that "the world is changing. The energy companies should be part of the solution to climate change and not part of the problem"

Madrid. Iberdrola, through its subsidiary ScottishPower, has agreed to sell its traditional generation assets in the United Kingdom to Drax Smart Generation, a subsidiary of the Drax Group for £702 million (€801 million).



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Thus, the company becomes the first 100% renewable integrated energy business in the UK, as it disposes of 2,554 megawatts (MW) of traditional generation power, which includes mainly combined cycle gas plants¹. In recent years the company completed closure of the last coal-fired power plants in the country.

The sale – subject to the usual third party approvals for this kind of transactions – represents a further step in Iberdrola group's commitment to moving towards a decarbonised economy, where the electricity sector should play a key role.

The company's Chairman, Ignacio Galán, highlighted Iberdrola's commitment to the United Kingdom: "It is a key market for us and one of the present and future pillars of the group. We will be investing £5.5 billion by 2022, primarily in increasing our renewable capacity, developing more and smarter grids and offering more personalised and efficient solutions to our customers."

This will allow the company to continue increasing its weight in the United Kingdom, where it already has 2,700 MW of wind power capacity (installed or under construction), as well as a project pipeline in excess of 3,000 MW, of which 2,900 MW in offshore wind. These new developments will add to the 714-MW East Anglia One wind farm, which is currently under construction, and will become the world's largest offshore wind farm when it goes into operation in 2020.

Ignacio Galán, who pointed out that this operation forms part of the company's "standard rotation of assets", added that "the world is changing" and that "the energy companies should be part of the solution to climate change and not part of the problem".

Asset rotation plan

This divestment in the traditional generation business in the United Kingdom is part of the €3 billion euro asset rotation plan that Iberdrola

¹ The assets included in the operation are the combined cycle power plants Damhead Creek (793 MW), Rye House (715 MW), Shoreham (420 MW) and Blackburn Mill (60 MW) and the hydroelectric plants Cruachan (440 MW), Lanark (17 MW) and Galloway (109 MW).



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announced last February, when it presented its Strategic Perspectives for 2018-2022.

This transaction in the United Kingdom adds up to the sale of the gas storage business in the United States and the disposal of its minority stake in Tirme. The total amount for transactions announced in 2018 exceeds €1 billion.

About Iberdrola

Iberdrola is a global energy leader, the biggest producer of wind power and one of the five top power companies in the world in terms of stock market capitalisation. The group is present in numerous countries and supplies energy to over 100 million people mainly in Spain, the United Kingdom (Scottish Power), the USA (AVANGRID), Brazil (Neoenergia) and Mexico. With a workforce of 34,000 and assets in excess of €110 billion, it posted revenues of €31.26 billion and a net profit of €2.8 billion in 2017.

Iberdrola is leading the transition towards a sustainable energy model through its investments in energy from renewable sources, smart grids, large-scale energy storage and digital transformation in order to offer its customers the most advanced products and services. Thanks to its commitment to clean energy, Iberdrola is one of the companies with the lowest emissions and an international benchmark for its contribution to the fight against climate change and for the sustainability of the planet. Iberdrola is listed on numerous international sustainability indices, among them the Dow Jones Sustainability Index and FTSE4Good, and it is considered one of the most sustainable electricity utilities in the world.



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